

**Independent Remuneration Panel for Worcestershire  
District Councils**

**Annual Report and Recommendations for 2012-13**

**Bromsgrove District Council**

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**December 2011**

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## **Recommendations**

**The Independent Remuneration Panel recommends to Bromsgrove District Council the following:**

- (i) That in view of the continuing exceptional economic circumstances, the Basic Allowance remains unchanged from the recommendations from 2011/12 for 2012/13 at £3676 per Councillor. However, it should be noted that the Panel would be recommending £4,200 but acknowledges that in the present climate it would not be wise to implement an increase of 14.2%.**

**The Panel has included for information at Appendix 2 details of the level of allowances based on a basic allowance of £4,200 and the resulting Special Responsibility Allowances based on multipliers of the Basic Allowance that the Panel consider are consistent with the roles carried out.**

- (ii) That the Special Responsibility Allowances remain unchanged for 2012/13, with the exception of the Allowances for the Leader of the Council and the Chairmen of the Planning and Licensing Committees, as set out at Appendix 1.**
- (iii) That travel allowances for 2012/13 continue to be paid in accordance with the HMRC rate (currently 45p per mile).**
- (iv) That subsistence allowances for 2012/13 remain unchanged.**
- (v) That the Childcare and Dependent Carer's Allowances remain unchanged.**

**The Independent Remuneration Panel recommends to Parish Councils within Bromsgrove District**

- (i) That for Parish Councils in the District, if travel and subsistence is paid, the Panel recommends that it is paid in accordance with the rates paid by the District Council and in accordance with the relevant Regulations.**
- (ii) That the Panel's previous recommendations with regard to Parish Councillor allowances be re-affirmed.**

### **Basic Allowance 2012/13**

Basic Allowance is based on:

- The roles and responsibilities of Members; and
- Their time commitments – including the total average number of hours worked per week on Council business.

In calculating the recommended Basic Allowance, the Panel has previously used the average hourly earnings for the West Midlands from the Annual Survey of Hours and Earnings (ASHE) based on place of residence, produced by the Office for National Statistics. However, the basis for this measure has changed in recent years and we sought other indicators.

For this year's report the Panel also benchmarked the level of allowance against the following indicators:

- Survey of allowances in the South East of England undertaken by the South East Employers;
- Allowances for comparable roles paid by the CIPFA "Nearest Neighbour" Councils for each authority

This work showed that the basic allowance currently paid by Bromsgrove is not in line with comparable roles in similar authorities. The Panel is recommending a Basic Allowance of £4,200 for Malvern Hills, Worcester City and Wychavon Councils, which is more consistent with the levels of allowances resulting from the benchmarking exercise. We consider this should be regarded as the "standard" level of basic allowance for each of the District Councils in Worcestershire.

However, in view of the severe wider economic situation, the Panel acknowledges that the Council may not feel able currently to support an increase in its basic allowance - currently £3,676 - to this level. The Panel must always be aware of its responsibility to command public confidence in its decisions. However, we have included an indicative column in Appendix 2, showing the level of allowances for Bromsgrove if the £4,200 basic allowance was applied using the multipliers recommended by the Panel.

### **Special Responsibility Allowances (SRA) 2012/13**

#### **General Calculation of Special Responsibility Allowances**

In last year's report we acknowledged that we had been informed that a review of the Council's governance was to be undertaken which could potentially impact on the number of SRAs payable.

During the Year we were asked to consider the Special Responsibility Allowances paid to:

- the Chairman of the Overview and Scrutiny Board;
- the Chairman of the Planning Committee, and

- the Leader of the largest Opposition Group.

During our consideration of the Special Responsibility Allowances, we met with the Leaders of 4 of the District Councils and the Deputy Leader of the other, to discuss the expectations of the role of the Leader and how it is changing as a result of the Localism agenda and the impact of other legislation. Unfortunately the Leader of Bromsgrove District Council was unable to attend. We will review the role of Leaders and Deputy Leaders during the year once the full impact of the Localism Act and other requirements are being felt.

We have taken a consistent approach to the Special Responsibility Allowances across all 6 Districts. In Appendix 2 we show what the SRA would be if the Basic Allowance of £4,200 is used and what we regard as a “standard” multiplier is applied. In terms of the Leader role in Bromsgrove for 2012-13, we have endorsed the historic calculation of the Special Responsibility for the Leader and are not recommending any increase to it. However, in the interest of consistency across the Districts we are recommending that the SRA for the Leader is capped at £10,500.

**Chairman of Overview and Scrutiny Board** – from the evidence presented to us we agreed to a proposed increase in the Special Responsibility Allowance for this role. The new governance arrangements include one Overview and Scrutiny Board replacing three bodies previously. The new arrangements are consistent with those of other District Councils where the Special Responsibility Allowance is recommended at the same level as the Executive portfolio holders. On this basis we supported the change.

**Chairman of the Planning Committee** – the Panel was asked to consider increasing the allowance for this role to match that for portfolio holders, based on the volume and complexity of the work involved. This would mean an increase to a multiplier of 1.3 times the basic allowance. The Panel did not support this proposal, having recently reviewed the role of Chairman of Planning at other Districts and reviewed the workload and responsibilities involved, the multiplier of 1.0 is considered appropriate to the role. The Panel was concerned to learn that the Council did not accept this recommendation and subsequently increased the multiplier to the 1.3 requested. We reiterate our view that a multiplier of 1.0 is considered appropriate for this role and recommend this reduced multiplier for 2012-13.

**Leader of the largest opposition Group** – the Panel was asked to consider reinstating a Special Responsibility Allowance for this position. Historically the Council has paid an allowance to the Leader of the Opposition and leaders of other opposition groups, varying between flat rate payments and a sum per member of the group. This had ceased in 2010-11 as the opposition groups were of equal size.

The Panel was asked to reinstate this allowance following the results of the May 2010 elections which led to a significant main opposition group. We supported this proposal, with an allowance of £1,066 – a multiplier of 0.29 - recognising the historical precedent for the allowance. However, we undertook to review this at

the end of the current year. We are content to recommend that this allowance remains unchanged.

**Chairman of the Licensing Committee** – the Panel was concerned to see that during the past year the Council has changed the Special Responsibility Allowance from £213 per meeting to an annual allowance of £4,796 based on a new multiplier of 1.3 which matches that for portfolio holders. This was done without prior consideration by the Panel. We are recommending that the multiplier be reduced to 0.75 to reflect the “standard” multiplier for this role recommended by the Panel for Worcestershire Districts.

In reviewing the SRA’s we acknowledge that the Basic Allowance in Bromsgrove is below that which we regard as reasonable across Worcestershire (£3,676 in Bromsgrove compared to the recommended “standard” of £4,200). This can then lead to discrepancies in the levels of SRAs paid, even when using the same multipliers as other local authorities. As mentioned above, however, we are mindful that in the current economic circumstances Councillors are unlikely to feel justified in increasing the basic allowance and the consequential increase in SRA’s.

### **Standards Committee**

At the time of writing this report we have been made aware of the potential changes affecting the Standards regime as proposed in the Localism Bill. Whilst the original Bill proposed the abolition of the national Code of Conduct and most elements governing the establishment and work of the Standards Committee, amendments proposed through the Lords and now embodied within the Localism Act indicate a local Standards Committee will continue in some form.

We are therefore content to recommend that the Special Responsibility Allowance for the Chairman of the Standards Committee continues at the rate we recommended last year.

### **Mileage and Expenses 2012/13**

The Panel note that Bromsgrove District Council has used the HMRC flat rate for payment of mileage for Councillors (currently 45p per mile) and recommends that this continues.

The Panel is satisfied that the current levels of subsistence allowances are set at an appropriate level and recommends that these continue.

The Panel notes that the Council’s Scheme of Members’ Allowances provides that Childcare and Dependant Care Allowances are payable to cover reasonable and legitimate costs incurred in attending approved duties and recommends that this provision continues.

## **Allowances to Parish Councils**

The Independent Remuneration Panel for Worcestershire District Councils acts as the Remuneration Panel for the Parish Councils in each District.

This year the Panel has not been asked to make recommendations on any matters by any Parish. In the past the Panel which covered the three South Worcestershire Districts has considered travel and subsistence, and we consider it appropriate to apply this consideration to each of the Districts. We have reviewed the Parish Council travel and subsistence allowances and recommend for 2012 - 13 that no changes are made. This means that in Bromsgrove we recommend that these payments should be made in accordance with the rates paid by the District Council and in accordance with the relevant Regulations.

Last year, in the absence of any formal requests from Parish Council on allowances, we re-affirmed the recommendations made by the former Bromsgrove Independent Remuneration Panel with regard to the payment of other allowances for Parish Councillors. We again re-affirm these recommendations.

The Panel also confirm that we will be happy to consider any formal requests from Parish Councils on allowances and each will be considered on its own merits.

## **The Independent Remuneration Panel**

The Members' Allowances Regulations require Local Authorities to establish and maintain an Independent Remuneration Panel (IRP). The purpose of the Panel is to make recommendations to the authority about allowances to be paid to Elected Members and Local Authorities must have regard to this advice. This Council's Independent Remuneration Panel is set up on a joint basis with the other 5 District Councils in Worcestershire, the decision having been taken during 2010 to follow the principle previously established by having a joint Panel in the South of the County. Separate Annual Reports have been prepared for each Council.

Initially the South Worcestershire Panel has carried out the work for the 6 Districts, while the Councils reviewed the size and operation of the Panel. The members of the Panel have been:

- Rob Key, the Chair of the Panel – Rob has 42 years' experience of working in District Councils in a variety of operational and management roles, including senior positions at Worcester City, Wychavon District and Wyre Forest District. He was an Independent Chair for the Strategic Health Authority for Continuing Care and sits on County Council Appeals Panels for School Preference Appeals and Service Complaints.
- Elaine Bell, JP, DipCrim – Elaine has been a Magistrate for 14 years, Day Chair of Adult and Family Courts; Chair of the Bench Training & Development Committee; past member of the Magistrates Advisory Panel (interviewing and selecting for appointment to the Bench). She is also a Governor of the Lloyds

Educational Foundation; Member of the Sytchampton School Appeals Panel; Hon Treasurer of Ombersley and Doverdale Tennis Club and a Past Governor of Ombersley Primary School.

- Bill Simpson MBE, JP, BSc, Dip Ed – Bill spent 30 years in Further Education culminating in 11 years as Principal of Pershore College. He then entered the private sector as Director of two national Horticultural Societies – the Royal Horticultural Society and the Alpine Garden Society.. He served as a magistrate for 9 years until retirement – chairing the Worcestershire Branch of the Magistrates’ Association. Currently a churchwarden, Bill is also involved with several charities including being Chairman of *Thrive* between 1993 and 2008. He is a primary school governor and a member of the Schools Admissions Appeals Panel for Worcestershire.
- Mel Nock OBE, BA Joint Hons, Dip IPD – Mel is currently Vice-Chair of the Lucy Faithfull Foundation and Chair of the Governance, Finance and General Purposes Committee. He is Executive Chair of EIL Malvern. Previously Mel was Chairman of a GKN division and Regional Director with a Regional Health Authority moving on to become Assistant Managing Director. Mel established his own HR consultancy in the 1990’s specialising in remuneration and organisational change. He has also served as a member of the Lord Lieutenant’s (South Worcestershire) Advisory Committee on the appointment of magistrates.
- Terry Cotton – Terry spent 34 years working in central and local Government, mostly managing regeneration programmes across the West Midlands. Most recently he worked at The Government Office for The West Midlands where he was a Relationship Manager between central and local Government and a lead negotiator for local performance targets. Following voluntary early retirement in May 2011, he now works part-time setting up and running a community development trust in Birmingham’s Jewellery Quarter. He is also a trustee of a small charitable trust providing grants to grass roots community initiatives in deprived communities.
- Don Barber BSc - After several Human Resources and Productivity Improvement Management roles in Industry, Don became Chief Executive of a change management facilitating consultancy. Over the last 20 years he has been an independent consultant and advisor on a number of United Nations, European Commission, and World Bank transition projects, in particular in Europe, Africa, Asia, and Australasia. He also operates in an advisory role to other consultancy groups seeking EU contracts. This experience has included the development of national civil service/public sector reform programmes including aspects of the effect of legislative change for central and local government and, in the U.K., working for the Office of Manpower Economics (advisors to the Prime Minister) on Public Sector Pay, in particular relating to: Civil Service Pay Reform, UK Armed Forces and the Medical Professions.

The Reverend Prebendary Michael Vockins OBE retired from office during the year. We would like to pay tribute to his work and support during his term of



office, particularly during the transition to a new Panel as it expanded its role from South Worcestershire to include all the District Councils in Worcestershire.

The Panel has been advised and assisted by:

- Claire Chaplin and Doreen Porter from Worcester City Council;;
- Sheena Jones from Wychavon District Council;
- Joanne Lowman from Malvern Hills District Council;
- Karen Firth from Bromsgrove District Council;
- Penelope Williams from Wyre Forest District Council;
- Ivor Westmore and Trish Buckley from Redditch Borough Council.

The Panel wishes to acknowledge its gratitude to these officers who have provided advice and guidance in a professional and dedicated manner.

**Rob Key**

**Chairman of Independent Remuneration Panel**

## Bromsgrove District Council – Allowance Recommendations 2012-13

Appendix 1

<b>Current Position and Independent Remuneration Panel Recommendations</b>			
	<b>Current Multiplier of Basic Allowance recommended by Panel</b>	<b>Recommendations for 2012/13 based on £3,676 basic allowance and multipliers recommended by the Panel £</b>	<b>Amounts currently paid £</b>
<b>Basic Allowance:</b>		3,676 <sup>1</sup>	
<b>Special Responsibility Allowances:</b>			
Leader	3	10,927 but capped at <b>10,500</b>	10,927
Deputy Leader (plus SRA as a Portfolio holder)	0.7	2,573 plus <u>4,796</u> <b><u>7,549</u></b>	2,573 plus <u>4,796</u> <b><u>7,549</u></b>
Executive Members	1.3	<b>4,796</b>	4,796
Chairman of Overview & Scrutiny Board	1.3	<b>4,796</b>	4,796

<sup>1</sup> This figure takes into account a public service discount of 34.11%

	<b>Current Multiplier of Basic Allowance recommended by Panel</b>	<b>Recommendations for 2012/13 based on £3,676 basic allowance and multipliers recommended by the Panel</b>	<b>Amounts currently paid</b>
Chairman of Planning Committee	1 (Council pays 1.3)	<b>3,676</b>	4,796
Chairman of Standards Committee	0.5	<b>1,848</b>	1,848
Chairman of Licensing Committee	0.75 (Council pays 1.3)	<b>2,757</b>	4,796
Chairman of Audit Board	0.29	<b>1,066</b>	1,066
Chairmen of Overview and Scrutiny Task Groups – payment on completion of task	0.06	<b>213</b>	213
Members of Overview and Scrutiny Task Groups – payment on completion of task	0.03	<b>107</b>	107
Chairman of Appointments Committee – payable per meeting	0.03	<b>107</b>	107

	<b>Current Multiplier of Basic Allowance recommended by Panel</b>	<b>Recommendations for 2012/13 based on £3,676 basic allowance and multipliers recommended by the Panel</b>	<b>Amounts currently paid</b>
Chairman of Electoral Matters Committee – payable per meeting	0.03	<b>107</b>	107
Chairman of Appeals Committee – payable per meeting	0.03	<b>107</b>	107
Chairman of Standards Sub-Committee – payable per meeting	0.03	<b>107</b>	107
Leader of the largest opposition political group	0.29	<b>1,066</b>	1,066

## Appendix 2

<b>Indicative amounts for 2012-13 if Independent Remuneration Panel recommended basic allowance of £4200 and applied “standard” multipliers</b>			
	<b>“Standard” Multipliers recommended by the Panel for Worcestershire Districts</b>	<b>Indicative amounts using Basic allowance of £3,676</b>	<b>Indicative amount using basic allowance of £4,200 and multipliers recommended by Panel</b>
Basic Allowance		3,676	4,200 <sup>2</sup>
Special Responsibility Allowances:			
Leader	2.5	9,190	10,500
Deputy Leader	1.5 (as portfolio holder only)	5,514	6,300
Executive Members	1.5	5,514	6,300
Chairman of Overview and Scrutiny Board	1.5	5,514	6,300
Chairman of Planning Committee	1	3,676	4,200

<sup>2</sup> This figure takes into account a public service discount of 40%

	<b>“Standard” Multipliers recommended by the Panel for Worcestershire Districts</b>	<b>Indicative amounts using Basic allowance of £3,676</b>	<b>Indicative amount using basic allowance of £4,200 and multipliers recommended by Panel</b>
Chairman of Standards Committee	0.25	919	1,050
Chairman of Licensing Committee	0.75	2,757	3,150
Chairman of Audit Board	-	-	-
Chairmen of Overview and Scrutiny Task Groups – payment on completion of task	0.25	919	1,050
Members of Overview and Scrutiny Task Groups – payment on completion of task	-	-	-
Chairmen of Appointments Committee – payable per meeting	-	-	-
Chairman of Electoral Matters Committee – payable per meeting	-	-	-

Chairman of Appeals Committee – payable per meeting	-	-	-
Chairman of Standards Sub-Committee – payable per meeting	-	-	-
Leader of the Largest Opposition Political Group	0.29	1,066	1,218